To Shareholders

Business Report 2013
(April 1, 2012 to March 31, 2013)

Special Feature

Overseas Strategies of Nisshin Seifun Group:
Aiming at an overseas sales ratio of at least 30%

Communicating with Our Shareholders

Report on Individual Shareholders Tour of the Nisshin Seifun (Flour Milling) Museum;
Announcement of Next Individual Shareholders Tour of the Higashinada Plant

NISSHIN SEIFUN GROUP INC.
Before reporting on the Company’s 169th business term, I would like to take this opportunity to thank all shareholders for their understanding and support.

During the fiscal year ended March 31, 2013, the environment surrounding the Company remained severe with prolonged weak consumer spending due to an uncertain outlook caused by a slowdown in the global economy and a longstanding deflationary environment. Under these conditions, the Company implemented aggressive promotional efforts to boost the top line (net sales) in each of its businesses. In addition, Miller Milling Company, LLC in the U.S. acquired in March 2012, and Nisshin Seifun Premix Inc. established in October 2012, both made steady progress. In February 2013, the Company acquired from Goodman Fielder the largest flour milling business in New Zealand and the business got off to a good start as newly established Champion Flour Milling Ltd. Other steps were taken to drive growth, including an investment in Tokatsu Foods Co., Ltd., a general maker of prepared dishes. The Company has been integrating its flour milling plants as part of efforts to strengthen future cost competitiveness. This included the start of construction of the new Fukuoka Plant in the Kyushu region in May 2012, and a decision in December to add another production line to the Chita Plant in the Chubu region. Meanwhile, the Company revised its wheat flour prices in response to the government’s adjustments to prices for five brands of imported wheat. On average, the price of imported wheat was reduced by 15% in April 2012 and raised by 3% in October 2012.

As a result, consolidated net sales increased 3.1% year on year to ¥455,566 million for the fiscal year under review, reflecting the consolidation of Miller Milling Company, LLC, growth in sales of prepared dishes and other prepared foods and of frozen food products, as well as the start of shipments of raw materials for pharmaceutical products. Meanwhile, due to an increase in sales promotion expenses in the Processed Food Segment and other factors, operating income decreased 5.9% year on year to ¥21,740 million, ordinary income declined 5.3% to ¥24,742 million. Net income rose 2.7% to ¥13,688 million.

We aim to meet the expectations of shareholders to distribute profits, taking into consideration the current and future profitability of our business and financial position, and are targeting a consolidated dividend payout ratio of at least 30%. For the fiscal year ended March 31, 2013, the Company paid an annual ordinary dividend of ¥20 per share.

Taking a long-term perspective focused through 2020, our 120th year of operation, we launched our medium-term management plan “NNI-120, Speed, Growth and Expansion” in April 2012. Under this medium-term management plan, we have positioned top-line (net sales) growth and overseas business expansion as our first order of business. In order to accomplish our established goals, we will upgrade and bolster our internal organization and proactively pursue M&As and alliances. In addition, we will engage in both the production and supply of safe and reliable products while putting in place a competitive cost structure that is more than capable of confronting the pressures imposed by imported products. In this manner, we will remain competitive in any and all environments.

In this year, the second year of the medium-term management plan, we have set out targets for the next three years through the fiscal year ending March 31, 2016 by reviewing our targets to flexibly respond to changes in the business environment and will carry out strategic measures in each business.

With the holding company Nisshin Seifun Group Inc. at its core, our group of companies will work with diligence, global intelligence and dedication to expand our businesses. Every effort will be made to ensure that the Group maintains the confidence of its stakeholders including shareholders, customers, business partners, employees and local communities. As we work toward achieving our established goals, we kindly request your continued support and understanding.

Hiroshi Oeda
Representative Director and President

June 2013
**Flour Milling Segment**

- Domestic shipments of wheat flour surpassed results of the previous year due to our active efforts to increase market share including promotion of value-added services that provide total solutions to customers.
- Revenues increased reflecting the consolidation of Miller Milling Company, LLC which was acquired in March 2012 and has progressed favorably.
- Operating income increased mainly due to the steady wheat bran market, as well as implementation of cost reductions.

**Processed Food Segment**

- In the processed food business, revenues increased due to a sharp rise in the shipments of frozen food products and other products, reflecting active sales promotion measures.
- Revenues in the yeast and biotechnology business decreased owing to weak demand in consignment production of feed and testing services and other products in the biotechnology business.
- In the healthcare foods business, revenues significantly increased mainly due to the start of shipment of EPA-E, a raw material for pharmaceuticals.
- Operating income declined mainly due to an increase in sales promotion expenses in the processed food business.

**Others Segment**

- Revenues in the pet food business decreased due to the severe market environment despite increased shipments of premium pet foods.
- In the engineering business, sales increased significantly year on year. This reflected a solid performance from the mainstay plant engineering business and strong contract processing and equipment sales.
- In the mesh cloths business, sales surpassed the previous year’s level. Although sales of materials for screen-printing applications were below the previous year, sales of forming filters for automobile parts and others expanded.
- Operating income decreased due to sluggish sales in the pet food business and other factors.
Hiroshi Oeda, Representative Director and President of Nisshin Seifun Group Inc., was interviewed regarding the achievements under the medium-term management plan that began in April 2012.

**Q** How would you assess the past year since the launch of the medium-term management plan in April 2012?

We made a good start in the initial year of the medium-term management plan. We launched our medium-term management plan “NNI-120, Speed, Growth and Expansion,” while setting such numerical targets as Group net sales of ¥1 trillion and an overseas sales ratio of at least 30% to achieve for the year 2020. In the initial year, we made a fairly good start with tangible results including corporate acquisitions and capital participation in Japan and overseas and decisions on the construction and expansion of flour milling plants and other related matters.

**Q** You have been actively promoting reorganization of your domestic flour milling plants.

We are promoting the concentration of production into large-scale plants located near ports to strengthen our global cost competitiveness. (The new Fukuoka Plant and a new line at the Chita Plant will commence operations in February 2014, and in the summer of 2015, respectively.)

About 90% of the wheat consumed in Japan is imported. Therefore, manufacturing of wheat flour at flour milling plants located near ports, where large grain vessels can enter, offers a cost advantage. The Company has been steadily promoting concentration of production at its large-scale plants located near ports to strengthen cost competitiveness in preparation for future market liberalization. In May 2012, we started construction of the new Fukuoka Plant located near the port of Fukuoka City, which will commence operations in February 2014. We decided to add another production line to the Chita Plant in Aichi, which will start construction in the autumn of 2013 and commence operations in the summer of 2015.

International trade negotiations including the Trans-Pacific Partnership (TPP) are ongoing. Accordingly, we are accelerating measures to boost cost competitiveness so that we can effectively counter the threat from imported wheat flours assuming the future total market liberalization of wheat and wheat flour.

**Q** You have made an aggressive move towards expansion of overseas business by successive acquisitions of two overseas flour milling companies in one year.

Our overseas production ratio (production capacity basis) exceeded 30% upon acquisition of Miller Milling Company and Champion Flour Milling.

In line with our primary strategy of overseas business expansion, we acquired Miller Milling Company, the ninth largest flour milling company in the U.S. in March 2012, and Champion Flour Milling, the largest flour milling business in New Zealand in February 2013. Consequently, we now have four overseas flour milling companies, including the existing Rogers Foods (Canada) and Nisshin-STC Flour Milling (Thailand). This resulted in a significant increase of our overseas production ratio (production capacity basis) to exceed 30%.

**Q** Could you please tell us about the objective of the capital participation in Tokatsu Foods Co., Ltd.?

We invested in Tokatsu Foods Co., Ltd., the leading general maker of prepared dishes in Japan, aiming at enhancing the foundation of prepared dishes and other prepared foods business. We have positioned prepared dishes and other prepared foods business as growth areas and are reinforcing efforts to develop it as one of our core businesses. In December 2012, we invested in Tokatsu Foods Co., Ltd., the leading general maker of prepared dishes in Japan. Tokatsu Foods Co., Ltd. posts consolidated sales of about ¥100 billion and operates 18 production plants in Japan, while supplying a full-lineup of products such as bento lunch boxes, rice balls, sandwiches, prepared foods and other products mainly to convenience stores as well as operating frozen prepared foods business mainly for home delivery service. We intend to further expand the prepared dishes and other prepared foods business by strengthening the business foundation through utilization of nationwide production bases and wide ranging production know-how owned by Tokatsu Foods Co., Ltd., combined with the basic research technology and product development capability of the Group.

**Q** Please tell us your goal for fiscal 2014, the second year of the medium-term management plan.

We intend to carry out proactive measures for future growth and expansion while positioning top-line (net sales) growth and overseas business expansion as our first priority.

In the flour milling business, we will expand our share of the wheat flour market in Japan for future growth as a flour milling company that delivers the highest level of service and customer satisfaction. In the process toward growth, we will promote further sales expansion of our top brand by launching new products which meet customer’s needs. In the overseas business, we will steadily achieve results by creating synergies with our Group know-how, including technological capability and other related factors in acquired companies such as Miller Milling Company and Champion Flour Milling. We will also not be risk-averse toward future growth and expansion and actively carry out strategic investments, including M&As and alliances.

This year, the second year of the medium-term management plan, the Group, forming a cohesive unit with all officers and employees united, will steadily advance as a robust and innovative organization toward achieving our common goals.
The Nisshin Seifun Group is actively promoting overseas business expansion aiming at raising the Group overseas sales ratio to at least 30% in the near future under the medium-term management plan “NNI-120, Speed, Growth and Expansion.”

We acquired Miller Milling Company, the 9th largest flour milling company in the U.S. in March 2012 and entered into the U.S. market, the largest flour milling market among the developed nations. In February 2013, we increased Miller Milling’s flour production capacity by about 30%. We intend to further expand shipments by utilizing our strength in development, technological capability and stable supply of quality products as well as the existing business foundation of the company. We will also collaborate with Rogers Foods Inc. in Canada and accelerate expansion of the flour milling business in North America, while exerting synergies among the Group.

In February 2013, we acquired the largest flour milling business in New Zealand from Goodman Fielder, a major food company in Australia and New Zealand. The company holds the largest share at 55% in New Zealand. The company started operations as newly-established Champion Flour Milling (NZ) Ltd. in June 2013. We acquired the largest flour milling business in New Zealand.

In October 2012, we established Nisshin Seifun Premix Inc., which conducts the whole process of development, manufacture and sales of prepared mixes. The company operates both domestic and overseas businesses (two overseas bases: Shin Nisshin Seifun Foods (Qingdao) Co., Ltd. in China and Thai Nisshin Technomic Co., Ltd. in Thailand) in the prepared mix business, which is expected to grow significantly in the future. It will swiftly expand overseas business as a “global company” of commercial prepared mixes.

In January 2012, Oriental Yeast Co., Ltd. established Oriental Yeast India Pvt. Ltd., a local corporation, as its business base in India. We plan to further expand the biotechnology business (raw materials for diagnostic reagents, etc.) in the future.

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Initiatives during the year

**2012**

- **April**
  - Launches medium-term management plan "NNI-120, Speed, Growth and Expansion"

- **May**
  - Nisshin Foods Inc. Launches direct mail-order sales
  - Nisshin Flour Milling Inc. Starts construction of new Fukuoka Plant

- **June**
  - Nisshin Flour Milling Inc. Obtains global food safety management system certification "FSSC22000"
  - Nisshin Flour Milling Inc. Invests in Tokatsu Foods Co., Ltd., a general maker of prepared dishes

- **July**
  - Nisshin Flour Milling Inc. Decides to add a new production line at Chita Plant

- **August**
  - Nisshin Flour Milling Inc. Establishes Nisshin Seifun Premix Inc.
  - Nisshin Flour Milling Inc. Opens corporate museum to offer valuable information on flour milling (wheat and wheat flour)
  - Nisshin Flour Milling Inc. Wins excellence prize of Food Action Nippon Award 2012 for the development of commercial wheat flour for bread, made of 100% Hokkaido wheat

- **October**
  - Nisshin Foods Inc. Mekia Hazumu Ima wa Para! awarded Food Industry Distinguished Service Award

- **November**
  - Nisshin Flour Milling Inc. Opens Nisshin Seifun (Flour Milling) Museum

- **December**
  - NBC Meshtec Inc. Completes production capacity enhancement of plant in Indonesia
  - Nisshin Petfood Inc. Enters the “domestically” produced therapeutic pet food market

**2013**

- **January**
  - Nisshin Foods Inc. ManMa Hazumu Ima wa Para! awarded Food Industry Distinguished Service Award
  - Nisshin Flour Milling Inc. Increases flour production capacity of Nisshin-STC Flour Milling Co., Ltd. (Thailand) by about 20%
  - Nisshin Flour Milling Inc. Increases flour production capacity by about 30% at Miller Milling Company, LLC (U.S.A.)

- **February**
  - Nisshin Petfood Inc. Enters the “domestically” produced therapeutic pet food market

- **March**
  - Nisshin Petfood Inc. Enters the “domestically” produced therapeutic pet food market

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**Nisshin Pharma Inc.**

Nisshin Pharma started direct mail-order sales in May 2012 and carries out integrated management and operation of product development, production, sales promotion activities, order acceptance, distribution and customer service and support. Utilizing the advantages of direct communication with customers, the company will continue to actively promote the features of its products and the importance of maintaining good health.

**Bificolon** is available for purchase at Nisshin Pharma Direct: http://nisshin-pharma.com

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**Opens Nisshin Seifun (Flour Milling) Museum**

In November 2012 we opened a corporate museum in Tatebayashi, the site of the Company’s founding, which provides world-class invaluable information on flour milling (wheat and wheat flour). The museum is comprised of a main hall that shows the history and traditions of the Company, a new wing designed to provide information about flour milling and a lusciously green Japanese garden.

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[Admission Fee]

- Adult: ¥200
- Minor (elementary and junior high school students) ¥100

[Holidays]

- Monday, Year-end and New Year holidays, etc. (for details, please refer to the New Products (p10)

[Access]

- 6-1 Sakae-cho, Tatebayashi City, Gunma

[Telephone]

- 0276-71-2000

[URL]

- http://www.nisshin.com/museum/

[Operating Hours]

- 10 am to 4:30 pm (Admission until 4 pm)

[Admission Fee]

- Adult: ¥200
- Minor (elementary and junior high school students) ¥100

* Parking not available.

* Please use public transportation to travel to and from the museum.

* For details, please access the website.
New Products

Jukusei Kiwami Somen / Hiyamugi
Launched all-new smooth and pleasantly chewy textured somen and hiyamugi. Easy-to-prepare and surprisingly delicious texture.

Patented original manufacturing method
1. Three-layer manufacturing method
Glistening layer by the roll processing method
2. Noodle belt pressing and extruding method
Smooth and pleasantly chewy outer layers made by application of pasta manufacturing method
3. Heating and aging process
Three-layer noodles are slowly matured by heat.

Ma•Ma Hazumu Nama Pasta
Launched Japanese-style product line of the popular Hazumu Nama Pasta!

Launched Japanese-style product lines of Hazumu Nama Pasta with pleasantly chewy texture. Enjoy the rich taste of fresh pasta mixed with bonito broth and seaweed broth, served with Japanese-style sauce prepared with select ingredients.

New products focused on color and taste keep on coming!
Smooth and pleasantly chewy linguine topped with squids and diced tomatoes. Enjoy rich seafood flavor of squid ink accented by sourness of fresh tomato.

Power Supply 11
Advanced formula with Resveratrol, a sought-after ingredient of red wine offering health benefit.

Power Supply 11 is an advanced formula of Power Supply 10, which contains Resveratrol, an ingredient highlighted for its health supporting function found in global studies, in addition to ingredients in the popular Power Supply 10 such as coenzyme Q10 and gingko leaf essence, essential for maintaining youthful vitality along with vitamins and minerals. One pack contains 28 ingredients that help a healthier body and resist aging. We are confident in delivering the product as your partner for a healthy life.

Products are available by order at BST, a distributor of Nisshin Pharma Inc.
URL: http://www.bst-japan.co.jp/
0120-86-2480 (8:00 to 20:00 daily excluding year-end and New Year holidays)

“Domestically” produced therapeutic pet foods JP-Style Dietetics
Developed domestic therapeutic pet foods focused on healthy life of pets in Japan. Now on sale at animal hospitals!

We successfully developed therapeutic pet foods that target common diseases in Japanese pets, which tend to be small, long-living and raised indoors, through joint research with universities and clinical tests at animal care facilities. Manufacturing has commenced under strict quality controls and products have been put on sale since March 2013.

Allergen select cut pet food for food allergic dogs is produced from fish-based ingredients which are less likely to be allergens, and eliminates use of six allergen-based raw materials (beef, milk, wheat, egg, chicken and mutton). Also, we take precautions against mixing even small amounts of allergens during the manufacturing process, so the products have characteristics not found in existing low allergen foods.

Struvite block, cat food that combats feline-struvite urolithiasis syndrome has an adjusted mineral balance to maintain a lower urine acid level (target pH 6.0 – 6.5).
Report on Individual Shareholders Tour of the Nisshin Seifun (Flour Milling) Museum

We held an individual shareholders tour of the Nisshin Seifun (Flour Milling) Museum on March 22, 2013. This was the third individual shareholders tour, following a visit to the Tsurumi Plant of Nisshin Flour Milling Inc. in September 2012. For this tour, a total of 83 shareholders and accompanying persons participated after being selected by lottery from a large number of applicants. At the Museum site, where flour milling machines of both past and present were displayed, we received many questions from the participants, who were provided with information about the characteristics of wheat and the flour milling process. Further, the history of the Nisshin Seifun Group was shown through images and other exhibited objects. We received many questions and opinions after the tour and it proved to be a very meaningful occasion for communication.

Comments from shareholders participating in the tour
• It was a good tour for learning about the wheat flour manufacturing process and food safety.
• Listening to the discussion about the targets for the 120th anniversary, I look forward to the future of the Company.
• Seeing the images of the flour milling plants, as a housewife, I feel secure knowing about the care involved in hygiene management.
• I was impressed by the fact that the foundation philosophy was firmly entrenched and the Company continues to grow.

Points to remember when submitting an application
• Changes may occur in the tour program, or the plant tour may be postponed or cancelled due to weather conditions or other unforeseen circumstances.
• Higashinada Plant does not comply with barrier-free standards.
• The Company may use photographs taken during the plant tour in its in-house magazine, business report and other publications.

The handling of personal information
Personal shareholder information and information on individuals accompanying shareholders obtained through the receipt of applications to participate in the plant tour shall not be used for any other purposes.
## Consolidated Balance Sheets

As of March 31, 2012 and 2013  
(Y million)

<table>
<thead>
<tr>
<th>Items</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total current assets</td>
<td>213,431</td>
<td>218,468</td>
<td>5,036</td>
</tr>
<tr>
<td>Total noncurrent assets</td>
<td>218,525</td>
<td>243,382</td>
<td>24,857</td>
</tr>
<tr>
<td>Total assets</td>
<td>431,956</td>
<td>461,851</td>
<td>29,894</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>92,287</td>
<td>99,474</td>
<td>7,186</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>40,869</td>
<td>44,940</td>
<td>4,070</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>133,157</td>
<td>144,414</td>
<td>11,257</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total shareholders’ equity</td>
<td>271,120</td>
<td>279,843</td>
<td>8,723</td>
</tr>
<tr>
<td>Capital stock</td>
<td>17,117</td>
<td>17,117</td>
<td>—</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>9,453</td>
<td>9,460</td>
<td>6</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>247,736</td>
<td>256,453</td>
<td>8,717</td>
</tr>
<tr>
<td>Treasury stock</td>
<td>(3,186)</td>
<td>(3,188)</td>
<td>(1)</td>
</tr>
<tr>
<td>Total accumulated other</td>
<td>20,269</td>
<td>29,209</td>
<td>9,939</td>
</tr>
<tr>
<td>comprehensive income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valuation difference on</td>
<td>22,776</td>
<td>29,894</td>
<td>7,117</td>
</tr>
<tr>
<td>available-for-sale securities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred gains or losses on hedges</td>
<td>170</td>
<td>148</td>
<td>(22)</td>
</tr>
<tr>
<td>Foreign currency translation adjustment</td>
<td>(2,677)</td>
<td>(833)</td>
<td>1,844</td>
</tr>
<tr>
<td>Subscription rights to shares</td>
<td>188</td>
<td>232</td>
<td>43</td>
</tr>
<tr>
<td>Minority interests</td>
<td>7,220</td>
<td>8,150</td>
<td>930</td>
</tr>
<tr>
<td>Total net assets</td>
<td>298,798</td>
<td>317,436</td>
<td>18,637</td>
</tr>
<tr>
<td>Total liabilities and net assets</td>
<td>431,956</td>
<td>461,851</td>
<td>29,894</td>
</tr>
</tbody>
</table>

Note: The amounts recorded are rounded down to the nearest one million yen.

## Consolidated Statements of Income

Years ended March 31, 2012 and 2013  
(Y million)

<table>
<thead>
<tr>
<th>Items</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Consolidated Statements of Cash Flows

Years ended March 31, 2012 and 2013  
(Y million)

<table>
<thead>
<tr>
<th>Items</th>
<th>2012</th>
<th>2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>26,078</td>
<td>34,479</td>
<td>8,400</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>(15,244)</td>
<td>(23,854)</td>
<td>(8,609)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>(6,134)</td>
<td>(4,587)</td>
<td>1,547</td>
</tr>
<tr>
<td>Effect of exchange rate change on cash and cash equivalents</td>
<td>(400)</td>
<td>823</td>
<td>1,224</td>
</tr>
<tr>
<td>Net increase (decrease) in cash and cash equivalents</td>
<td>4,299</td>
<td>6,862</td>
<td>2,562</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of period</td>
<td>42,087</td>
<td>46,387</td>
<td>4,299</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of period</td>
<td>46,387</td>
<td>53,249</td>
<td>6,862</td>
</tr>
</tbody>
</table>

Note: The amounts recorded are rounded down to the nearest one million yen.

*For details and past data, please refer to the website.

## Consolidated Financial Statements

### Forecasts for Consolidated Business Performance in Fiscal 2014

(Y million)

<table>
<thead>
<tr>
<th>Items</th>
<th>2013</th>
<th>2014 (forecast)</th>
<th>Change</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>455,566</td>
<td>490,000</td>
<td>34,434</td>
<td>7.6%</td>
</tr>
<tr>
<td>Operating income</td>
<td>21,740</td>
<td>23,700</td>
<td>1,960</td>
<td>9.0%</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>24,742</td>
<td>26,300</td>
<td>1,558</td>
<td>6.3%</td>
</tr>
<tr>
<td>Net income</td>
<td>13,688</td>
<td>16,000</td>
<td>2,312</td>
<td>16.9%</td>
</tr>
</tbody>
</table>

Notes:
1. The contents of this report are based on various premises and do not constitute a promise or guarantee of the realization of the planned results or policies described herein.
2. The amounts recorded are rounded down to the nearest one million yen.
The Nisshin Seifun Group comprises the holding company, the Flour Milling Segment, the Processed Food Segment, and Others Segment. Nisshin Seifun Group Inc. and other principal companies are presented in the organizational diagram below.

### Nisshin Seifun Group Structure (As of March 31, 2013)

#### Flour Milling Segment
- Nisshin Flour Milling Inc.
- Fresh Food Service Co., Ltd.
- Yamajo Shoji Co., Ltd.
- Rogers Foods Ltd. (Canada)
- Nisshin-STC Flour Milling Co., Ltd. (Thailand)
- NSTC Trading Co., Ltd. (Thailand)
- Miller Milling Company, LLC (U.S.A.)
- NSGI Holdings Inc. (U.S.A.)
- Champion Flour Milling Ltd. (New Zealand)
- Ishikawa Co., Ltd.
- Four Leaves Pte. Ltd. (Singapore)

#### Processed Food Segment
- Nisshin Foods Inc.
- Nisshin Seifun Premix Inc.
- Ma•Ma-Macaroni Co., Ltd.
- Initio Foods Inc.
- Daisen Ham Co., Ltd.
- Medallion Foods Inc. (U.S.A.)
- Food Masters (PNW) Corp. (U.S.A.)
- Thai Nisshin Seifun Co., Ltd. (Thailand)
- Thai Nisshin Technomic Co., Ltd. (Thailand)
- Shin Nisshin Seifun Foods (Qingdao) Co., Ltd. (China)
- Nisshin Seifun OYC (Shanghai) Co., Ltd. (China)
- Tokatsu Foods Co., Ltd.
- Eurogerm (Shanghai) Trading Co., Ltd. (China)
1 other consolidated subsidiary

#### Others Segment
- Pet Food Business
- Nisshin Petfood Inc.
- Engineering Business
- Nisshin Engineering Inc.
- Mesh Cloths Business
- NBC Meshtec Inc.
- NBC Hinet Inc.
- NBC Metalmesh Inc.
- PT. NBC Indonesia (Indonesia)
- Dynamesh Inc. (U.S.A.)
- NBC (Shanghai) Mesh Co., Ltd. (China)
1 other consolidated subsidiary and 1 other affiliate accounted for by the equity method

- Compound Feed Business
- Marubeni Nisshin Feed Co., Ltd.

Others
- Nisshin Grain Silo Inc.
- Hanshin Silo Co., Ltd.
- Shinwa Development Co., Ltd.
- Japan Logistic Systems Corp.
- Chiba Kyodo Silo Co., Ltd.

### Employees (As of March 31, 2013)

- Nisshin Seifun Group Inc. 299
- Flour Milling Segment 1,416
- Processed Food Segment 3,208
- Others Segment etc. 842
**Total** 5,765

### Stock Information

<table>
<thead>
<tr>
<th>Shareholding Category</th>
<th>Number of Shares</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>500,000 shares and over (86)</td>
<td>187,617</td>
<td>74.6%</td>
</tr>
<tr>
<td>50,000 shares and over (178)</td>
<td>28,842</td>
<td>11.5%</td>
</tr>
<tr>
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<td>20,926</td>
<td>8.3%</td>
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<tr>
<td>500 shares and over (10,468)</td>
<td>13,729</td>
<td>5.4%</td>
</tr>
<tr>
<td>Less than 500 shares (2,973)</td>
<td>419</td>
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</tr>
<tr>
<td>Financial institutions (91)</td>
<td>106,611</td>
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</tr>
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<td>Individuals and other (14,764)</td>
<td>39,070</td>
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<td>Securities companies (35)</td>
<td>7,653</td>
<td>3.1%</td>
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**Total Number of Issuable Shares:** 932,856,000 shares

**Total Number of Shares Issued and Outstanding:** 251,535,448 shares

**Number of Shareholders:** 15,557 (a decrease of 591 shareholders from the end of the previous fiscal year)

### Major Shareholders (top 10)

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Shares (thousand)</th>
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<td>The Master Trust Bank of Japan, Ltd. (Trust Account)</td>
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<td>Sumitomo Corporation</td>
<td>5,034</td>
<td>2.0%</td>
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<td>4,616</td>
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*Number of shareholders

### Employees

- Nisshin Seifun Group Inc. 299
- Flour Milling Segment 1,416
- Processed Food Segment 3,208
- Others Segment etc. 842
**Total** 5,765

**Outline of the Nisshin Seifun Group**

**Employees (As of March 31, 2013)**

- Nisshin Seifun Group Inc. 299
- Flour Milling Segment 1,416
- Processed Food Segment 3,208
- Others Segment etc. 842
**Total** 5,765

**Consolidated subsidiaries**

**Subsidiaries and affiliated companies accounted for by the equity method**

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* Holding ratios were calculated by deducting shares of treasury stock (2,997,634 shares)

Stock prices

Composition of Shareholders

Shareholders by Type

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</tr>
</tbody>
</table>

* Number of shareholders
Fiscal year:
April 1 to March 31 of the following year

Date of record for year-end dividends
(profit dividends) on retained earnings:
March 31

Date of record for interim dividends:
September 30

Ordinary general meeting of shareholders:
June

Method of public notice:
The Company posts notices via electronic notification on
However, if electronic notification is not possible
due to an accident or other unavoidable
circumstances, notices will be published in the
Nikkei newspaper.

Share trading unit:
500 shares

Notice

Application for various share-related procedures
Please file applications for various share-related procedures such as change of address,
designation of a method to receive dividends, request to purchase shares in less than the
allotted trading unit and sale of such additional shares at the following places.

1. Shareholders with an account at a securities company
   → Please contact your securities company.
   Note: To apply to receive dividends after the period for dividend distribution, as well as request to purchase shares in less
   than the allotted trading unit registered at the special account and sale of additional less-than-a-unit shares to those
   registered at the special account, please contact Sumitomo Mitsui Trust Bank, Limited.

2. Shareholders registered at the special accounts
   → Please contact Sumitomo Mitsui Trust Bank, Limited.

Dividend Statement
The Dividend Statement that we send you at the time of the dividend payment concurrently
serves as the Payment Notification Statement based on a provision of the Act on Special
Measures Concerning Taxation. Therefore, you can use it as documentation for filing your
income tax return.
We ask the shareholders who file an income tax return to retain the Statement.